Senate Bill No. 941

CHAPTER 671

An act to amend Sections 1797.98a and 1797.98c of, and to amend and repeal Section 1797.98e of, the Health and Safety Code, and to amend Sections 16952, 16953.3, 16955, and 16956 of, and to add Sections 16952.1 and 16956.5 to, the Welfare and Institutions Code, relating to emergency medical services.

[Approved by Governor October 7, 2005. Filed with Secretary of State October 7, 2005.]

LEGISLATIVE COUNSEL'S DIGEST

SB 941, Alquist. Emergency medical services fund.

Existing law, the Emergency Medical Services System and Prehospital Emergency Medical Care Personnel Act (EMS Act), establishes the Emergency Medical Services Authority within the California Health and Human Services Agency to provide statewide coordination of local county EMS programs.

Existing law authorizes a county to establish an emergency medical services fund for reimbursement of EMS related costs, and provides that the costs of administering the fund shall be reimbursed up to 10% of the amount of the fund.

This bill would provide, instead, that the costs of administering the fund shall be based on the actual administrative costs, not to exceed 10% of the amount of the fund.

Existing law requires each county to establish within its emergency medical services fund a Physician Services Account, into which each county is required to deposit funds appropriated by the Legislature for purposes of the account. Existing law provides that the costs of administering the account shall be reimbursed by the account, up to 10% of the amount of the account.

This bill would provide instead, that the costs of administering the account, either by the county or the department through the emergency services contract-back program be reimbursed by the account based on actual administrative costs not to exceed 10% of the amount of the account.

Existing law provides that the County Emergency Medical Services Fund and Physician Services Account shall be used to reimburse physicians and surgeons for losses incurred for services provided to patients that meet 2 criteria.

This bill would add to that criteria that the patient does not have health insurance coverage for emergency services and care. The bill would also allow physicians to be eligible to receive payments from the fund for patient care services provided by, or in conjunction with, a properly

credentialed nurse practitioner or physician's assistant for care rendered as provided under the bill.

Existing law authorizes the reimbursement of physicians and surgeons from the County Emergency Medical Services Fund for up to 50% of the amount claimed and requires proportional reimbursement to physicians and surgeons of all funds remaining at the end of the fiscal year in excess of certain reserves. Existing law prohibits a physician from being reimbursed from the Physician Services Account for more than 50% of the losses submitted to the administering agency.

This bill would revise reimbursement from the Physician Services Account to delete the 50% maximum, and to require proportional distribution to physicians and surgeons, as to all funds remaining at the end of the fiscal year, not to exceed the total claimed.

This bill would require each county establishing a Physicians Services Account in the county emergency medical services fund to annually report on April 15 to the Legislature on the implementation and status of the account.

Existing law authorizes a county to adopt a fee schedule to establish a uniform, reasonable, level of reimbursement from the physician services account for reimbursable services.

This bill, instead, would require the county to adopt the fee schedule.

Existing law requires the administering agency to establish procedures and time schedules for submission and processing of reimbursement claims from the Physicians Services Account submitted by physicians in accordance with these provisions and requires that schedules for payment provide for periodic disbursement of the funds to physicians, at least annually.

This bill would require periodic disbursement of the fund at least quarterly.

Existing law authorizes payments from the emergency medical services fund for unreimbursed emergency medical services performed on the calendar day on which the services are first performed and the immediately following 2 calendar days.

Under existing law, changes would become operative January 1, 2007, including, but not limited to, a prohibition against payments for services provided beyond a 48-hour period of continuous service to the patient.

This bill will repeal the January 1, 2007, changes.

This bill would also provide for an exception from the requirement that payments be limited to emergency medical services provided on the calendar day on which emergency medical services are first provided and on the immediately following 2 calendar days, for services provided to a patient transferred to a second facility providing a higher level of care for the treatment of the emergency condition.

This bill would authorize an administering agency to establish an EMS Fund advisory committee and would, if a specified condition is met, authorize the agency to adopt a special fee schedule to reimburse for services rendered to uninsured trauma patients, from an account containing

only up to 15% of the county's EMS Fund share of tobacco tax revenues. The bill would also authorize reimbursement beyond the 2 calendar days after initial treatment.

This bill would incorporate additional changes in Section 1797.98a of the Health and Safety Code, proposed by SB 57, to be operative only if SB 57 and this bill are both chaptered and become operative effective January 1, 2006, and this bill is chaptered last.

The people of the State of California do enact as follows:

SECTION 1. This act shall be known and may be cited as the Emergency Room Funding Act.

SEC. 2. Section 1797.98a of the Health and Safety Code is amended to read:

1797.98a. (a) The fund provided for in this chapter shall be known as the Maddy Emergency Medical Services (EMS) Fund.

(b) (1) Each county may establish an emergency medical services fund, upon adoption of a resolution by the board of supervisors. The moneys in the fund shall be available for the reimbursements required by this chapter. The fund shall be administered by each county, except that a county electing to have the state administer its medically indigent services program may also elect to have its emergency medical services fund administered by the state.

(2) Costs of administering the fund shall be reimbursed by the fund, based on the actual administrative costs, not to exceed 10 percent of the amount of the fund.

(3) All interest earned on moneys in the fund shall be deposited in the fund for disbursement as specified in this section.

(4) Each administering agency may maintain a reserve of up to 15 percent of the amount in the portions of the fund reimbursable to physicians and surgeons, pursuant to subparagraph (A) of, and to hospitals, pursuant to subparagraph (B) of, paragraph (5). Each administering agency may maintain a reserve of any amount in the portion of the fund that is distributed for other emergency medical services purposes as determined by each county, pursuant to subparagraph (C) of paragraph (5).

(5) The amount in the fund, reduced by the amount for administration and the reserve, shall be utilized to reimburse physicians and surgeons and hospitals for patients who do not make payment for emergency medical services and for other emergency medical services purposes as determined by each county according to the following schedule:

(A) Fifty-eight percent of the balance of the fund shall be distributed to physicians and surgeons for emergency services provided by all physicians and surgeons, except those physicians and surgeons employed by county hospitals, in general acute care hospitals that provide basic or comprehensive emergency services up to the time the patient is stabilized.

(B) Twenty-five percent of the fund shall be distributed only to hospitals providing disproportionate trauma and emergency medical care services.

(C) Seventeen percent of the fund shall be distributed for other emergency medical services purposes as determined by each county, including, but not limited to, the funding of regional poison control centers. Funding may be used for purchasing equipment and for capital projects only to the extent that these expenditures support the provision of emergency services and are consistent with the intent of this chapter.

(c) The source of the moneys in the fund shall be the penalty assessment made for this purpose, as provided in Section 76000 of the Government Code.

(d) Any physician and surgeon may be reimbursed for up to 50 percent of the amount claimed pursuant to subdivision (a) of Section 1797.98c for the initial cycle of reimbursements made by the administering agency in a given year, pursuant to Section 1797.98e. All funds remaining at the end of the fiscal year in excess of any reserve held and rolled over to the next year pursuant to paragraph (4) of subdivision (b) shall be distributed proportionally, based on the dollar amount of claims submitted and paid to all physicians and surgeons who submitted qualifying claims during that year. The administering agency shall not disburse funds in excess of the total amount of a qualified claim.

SEC. 2.5. Section 1797.98a of the Health and Safety Code is amended to read:

1797.98a. (a) The fund provided for in this chapter shall be known as the Maddy Emergency Medical Services (EMS) Fund.

(b) (1) Each county may establish an emergency medical services fund, upon adoption of a resolution by the board of supervisors. The moneys in the fund shall be available for the reimbursements required by this chapter. The fund shall be administered by each county, except that a county electing to have the state administer its medically indigent services program may also elect to have its emergency medical services fund administered by the state.

(2) Costs of administering the fund shall be reimbursed by the fund, based on the actual administrative costs, not to exceed 10 percent of the amount of the fund.

(3) All interest earned on moneys in the fund shall be deposited in the fund for disbursement as specified in this section.

(4) Each administering agency may maintain a reserve of up to 15 percent of the amount in the portions of the fund reimbursable to physicians and surgeons, pursuant to subparagraph (A) of, and to hospitals, pursuant to subparagraph (B) of, paragraph (5). Each administering agency may maintain a reserve of any amount in the portion of the fund that is distributed for other emergency medical services purposes as determined by each county, pursuant to subparagraph (C) of paragraph (5).

(5) The amount in the fund, reduced by the amount for administration and the reserve, shall be utilized to reimburse physicians and surgeons and

hospitals for patients who do not make payment for emergency medical services and for other emergency medical services purposes as determined by each county according to the following schedule:

(A) Fifty-eight percent of the balance of the fund shall be distributed to physicians and surgeons for emergency services provided by all physicians and surgeons, except those physicians and surgeons employed by county hospitals, in general acute care hospitals that provide basic or comprehensive emergency services up to the time the patient is stabilized.

(B) Twenty-five percent of the fund shall be distributed only to hospitals providing disproportionate trauma and emergency medical care services.

(C) Seventeen percent of the fund shall be distributed for other emergency medical services purposes as determined by each county, including, but not limited to, the funding of regional poison control centers. Funding may be used for purchasing equipment and for capital projects only to the extent that these expenditures support the provision of emergency services and are consistent with the intent of this chapter.

(c) The source of the moneys in the fund shall be the penalty assessment made for this purpose, as provided in Section 76000 of the Government Code.

(d) Any physician and surgeon may be reimbursed for up to 50 percent of the amount claimed pursuant to subdivision (a) of Section 1797.98c for the initial cycle of reimbursements made by the administering agency in a given year, pursuant to Section 1797.98e. All funds remaining at the end of the fiscal year in excess of any reserve held and rolled over to the next year pursuant to paragraph (4) of subdivision (b) shall be distributed proportionally, based on the dollar amount of claims submitted and paid to all physicians and surgeons who submitted qualifying claims during that year. The administering agency shall not disburse funds in excess of the total amount of a qualified claim.

(e) Of the money deposited into the fund pursuant to Section 76000.5 of the Government Code, 15 percent shall be utilized to provide funding for all pediatric trauma centers throughout the county, both publicly and privately owned and operated. Expenditure of money shall be limited to reimbursement to physicians and surgeons, and hospitals for patients who do not make payment for services, or to hospitals for expanding the services provided at pediatric trauma centers, including the purchase of equipment. Counties that do not maintain a pediatric trauma center shall utilize the money deposited into the fund pursuant to Section 76000.5 of the Government Code to improve access to pediatric trauma and emergency services in the county, with preference for funding given to hospitals that specialize in services to children, and physicians and surgeons who provide care for children. Funds spent for the purposes of this section, shall be known as Richie’s Fund. This subdivision shall remain in effect only until January 1, 2009, and shall have no force or effect on or after that date, unless a later enacted statute, that is chaptered before January 1, 2009, deletes or extends that date.

(f) Costs of administering money deposited into the fund pursuant to Section 76000.5 of the Government Code shall be reimbursed from the money collected, not to exceed 10 percent. This subdivision shall remain in effect only until January 1, 2009, and shall have no force or effect on or after that date, unless a later enacted statute, that is chaptered before January 1, 2009, deletes or extends that date.

SEC. 3. Section 1797.98c of the Health and Safety Code is amended to read:

1797.98c. (a) Physicians and surgeons wishing to be reimbursed shall submit their claims for emergency services provided to patients who do not make any payment for services and for whom no responsible third party makes any payment.

(b) If, after receiving payment from the fund, a physician and surgeon is reimbursed by a patient or a responsible third party, the physician and surgeon shall do one of the following:

(1) Notify the administering agency, and, after notification, the administering agency shall reduce the physician and surgeon's future payment of claims from the fund. In the event there is not a subsequent submission of a claim for reimbursement within one year, the physician and surgeon shall reimburse the fund in an amount equal to the amount collected from the patient or third-party payer, but not more than the amount of reimbursement received from the fund.

(2) Notify the administering agency of the payment and reimburse the fund in an amount equal to the amount collected from the patient or third-party payer, but not more than the amount of the reimbursement received from the fund for that patient's care.

(c) Reimbursement of claims for emergency services provided to patients by any physician and surgeon shall be limited to services provided to a patient who does not have health insurance coverage for emergency services and care, cannot afford to pay for those services, and for whom payment will not be made through any private coverage or by any program funded in whole or in part by the federal government, with the exception of claims submitted for reimbursement through Section 1011 of the federal Medicare Prescription Drug, Improvement and Modernization Act of 2003, and where all of the following conditions have been met:

(1) The physician and surgeon has inquired if there is a responsible third-party source of payment.

(2) The physician and surgeon has billed for payment of services.

(3) Either of the following:

(A) At least three months have passed from the date the physician and surgeon billed the patient or responsible third party, during which time the physician and surgeon has made two attempts to obtain reimbursement and has not received reimbursement for any portion of the amount billed.

(B) The physician and surgeon has received actual notification from the patient or responsible third party that no payment will be made for the services rendered by the physician and surgeon.

(4) The physician and surgeon has stopped any current, and waives any future, collection efforts to obtain reimbursement from the patient, upon receipt of moneys from the fund.

(d) A listing of patient names shall accompany a physician and surgeon's submission, and those names shall be given full confidentiality protections by the administering agency.

(e) Notwithstanding any other restriction on reimbursement, a county shall adopt a fee schedule and reimbursement methodology to establish a uniform reasonable level of reimbursement from the county's emergency medical services fund for reimbursable services.

(f) For the purposes of submission and reimbursement of physician and surgeon claims, the administering agency shall adopt and use the current version of the Physicians' Current Procedural Terminology, published by the American Medical Association, or a similar procedural terminology reference.

(g) Each administering agency of a fund under this chapter shall make all reasonable efforts to notify physicians and surgeons who provide, or are likely to provide, emergency services in the county as to the availability of the fund and the process by which to submit a claim against the fund. The administering agency may satisfy this requirement by sending materials that provide information about the fund and the process to submit a claim against the fund to local medical societies, hospitals, emergency rooms, or other organizations, including materials that are prepared to be posted in visible locations.

SEC. 4. Section 1797.98e of the Health and Safety Code, as amended by Section 2 of Chapter 524 of the Statutes of 2004, is amended to read:

1797.98e. (a) It is the intent of the Legislature that a simplified, cost-efficient system of administration of this chapter be developed so that the maximum amount of funds may be utilized to reimburse physicians and surgeons and for other emergency medical services purposes. The administering agency shall select an administering officer and shall establish procedures and time schedules for the submission and processing of proposed reimbursement requests submitted by physicians and surgeons. The schedule shall provide for disbursements of moneys in the Emergency Medical Services Fund on at least a quarterly basis to applicants who have submitted accurate and complete data for payment. When the administering agency determines that claims for payment for physician and surgeon services are of sufficient numbers and amounts that, if paid, the claims would exceed the total amount of funds available for payment, the administering agency shall fairly prorate, without preference, payments to each claimant at a level less than the maximum payment level. Each administering agency may encumber sufficient funds during one fiscal year to reimburse claimants for losses incurred during that fiscal year for which claims will not be received until after the fiscal year. The administering agency may, as necessary, request records and documentation to support the amounts of reimbursement requested by physicians and surgeons and the administering agency may review and

audit the records for accuracy. Reimbursements requested and reimbursements made that are not supported by records may be denied to, and recouped from, physicians and surgeons. Physicians and surgeons found to submit requests for reimbursement that are inaccurate or unsupported by records may be excluded from submitting future requests for reimbursement. The administering officer shall not give preferential treatment to any facility, physician and surgeon, or category of physician and surgeon and shall not engage in practices that constitute a conflict of interest by favoring a facility or physician and surgeon with which the administering officer has an operational or financial relationship. A hospital administrator of a hospital owned or operated by a county of a population of 250,000 or more as of January 1, 1991, or a person under the direct supervision of that person, shall not be the administering officer. The board of supervisors of a county or any other county agency may serve as the administering officer. The administering officer shall solicit input from physicians and surgeons and hospitals to review payment distribution methodologies to ensure fair and timely payments. This requirement may be fulfilled through the establishment of an advisory committee with representatives comprised of local physicians and surgeons and hospital administrators. In order to reduce the county's administrative burden, the administering officer may instead request an existing board, commission, or local medical society, or physicians and surgeons and hospital administrators, representative of the local community, to provide input and make recommendations on payment distribution methodologies.

(b) Each provider of health services that receives payment under this chapter shall keep and maintain records of the services rendered, the person to whom rendered, the date, and any additional information the administering agency may, by regulation, require, for a period of three years from the date the service was provided. The administering agency shall not require any additional information from a physician and surgeon providing emergency medical services that is not available in the patient record maintained by the entity listed in subdivision (f) where the emergency medical services are provided, nor shall the administering agency require a physician and surgeon to make eligibility determinations.

(c) During normal working hours, the administering agency may make any inspection and examination of a hospital's or physician and surgeon's books and records needed to carry out this chapter. A provider who has knowingly submitted a false request for reimbursement shall be guilty of civil fraud.

(d) Nothing in this chapter shall prevent a physician and surgeon from utilizing an agent who furnishes billing and collection services to the physician and surgeon to submit claims or receive payment for claims.

(e) All payments from the fund pursuant to Section 1797.98c to physicians and surgeons shall be limited to physicians and surgeons who, in person, provide onsite services in a clinical setting, including, but not limited to, radiology and pathology settings.

(f) All payments from the fund shall be limited to claims for care rendered by physicians and surgeons to patients who are initially medically screened, evaluated, treated, or stabilized in any of the following:

(1) A basic or comprehensive emergency department of a licensed general acute care hospital.

(2) A site that was approved by a county prior to January 1, 1990, as a paramedic receiving station for the treatment of emergency patients.

(3) A standby emergency department that was in existence on January 1, 1989, in a hospital specified in Section 124840.

(4) For the 1991-92 fiscal year and each fiscal year thereafter, a facility which contracted prior to January 1, 1990, with the National Park Service to provide emergency medical services.

(g) Payments shall be made only for emergency medical services provided on the calendar day on which emergency medical services are first provided and on the immediately following two calendar days.

(h) Notwithstanding subdivision (g), if it is necessary to transfer the patient to a second facility providing a higher level of care for the treatment of the emergency condition, reimbursement shall be available for services provided at the facility to which the patient was transferred on the calendar day of transfer and on the immediately following two calendar days.

(i) Payment shall be made for medical screening examinations required by law to determine whether an emergency condition exists, notwithstanding the determination after the examination that a medical emergency does not exist. Payment shall not be denied solely because a patient was not admitted to an acute care facility. Payment shall be made for services to an inpatient only when the inpatient has been admitted to a hospital from an entity specified in subdivision (f).

(j) The administering agency shall compile a quarterly and yearend summary of reimbursements paid to facilities and physicians and surgeons. The summary shall include, but shall not be limited to, the total number of claims submitted by physicians and surgeons in aggregate from each facility and the amount paid to each physician and surgeon. The administering agency shall provide copies of the summary and forms and instructions relating to making claims for reimbursement to the public, and may charge a fee not to exceed the reasonable costs of duplication.

(k) Each county shall establish an equitable and efficient mechanism for resolving disputes relating to claims for reimbursements from the fund. The mechanism shall include a requirement that disputes be submitted either to binding arbitration conducted pursuant to arbitration procedures set forth in Chapter 3 (commencing with Section 1282) and Chapter 4 (commencing with Section 1285) of Part 3 of Title 9 of the Code of Civil Procedure, or to a local medical society for resolution by neutral parties.

(*l*) Physicians and surgeons shall be eligible to receive payment for patient care services provided by, or in conjunction with, a properly credentialed nurse practitioner or physician’s assistant for care rendered

under the direct supervision of a physician and surgeon who is present in the facility where the patient is being treated and who is available for immediate consultation. Payment shall be limited to those claims that are substantiated by a medical record and that have been reviewed and countersigned by the supervising physician and surgeon in accordance with regulations established for the supervision of nurse practitioners and physician assistants in California.

SEC. 5. Section 1797.98e of the Health and Safety Code, as added by Section 3 of Chapter 524 of the Statutes of 2004, is repealed.

SEC. 6. Section 16952 of the Welfare and Institutions Code is amended to read:

16952. (a) (1) Each county shall establish within its emergency medical services fund a Physician Services Account. Each county shall deposit in the Physician Services Account those funds appropriated by the Legislature for the purposes of the Physician Services Account of the fund.

(2) (A) Each county may encumber sufficient funds to reimburse physician losses incurred during the fiscal year for which bills will not be received until after the fiscal year.

(B) Each county shall provide a reasonable basis for its estimate of the necessary amount encumbered.

(C) All funds that are encumbered for a fiscal year shall be expended or disencumbered prior to the submission of the report of actual expenditures required by Sections 16938 and 16980.

(b) (1) Funds deposited in the Physician Services Account in the county emergency medical services fund shall be exempt from the percentage allocations set forth in subdivision (a) of Section 1797.98. However, funds in the county Physician Services Account shall not be used to reimburse for physician services provided by physicians employed by county hospitals.

(2) No physician who provides physician services in a primary care clinic which receives funds from this act shall be eligible for reimbursement from the Physician Services Account for any losses incurred in the provision of those services.

(c) The county physician services account shall be administered by each county, except that a county electing to have the state administer its medically indigent adult program as authorized by Section 16809, may also elect to have its county physician services account administered by the state in accordance with Section 16954.

(d) Costs of administering the account, whether by the county or by the department through the emergency medical services contract-back program, shall be reimbursed by the account based on actual administrative costs, not to exceed 10 percent of the amount of the account.

(e) For purposes of this article “administering agency” means the agency designated by the board of supervisors to administer this article, or the department, in the case of those CMSP counties electing to have the state administer this article on their behalf.

(f) The county Physician Services Account shall be used to reimburse physicians for losses incurred for services provided during the fiscal year of allocation due to patients who do not have health insurance coverage for emergency services and care, who cannot afford to pay for those services, and for whom payment will not be made through any private coverage or by any program funded in whole or in part by the federal government with the exception of claims submitted for reimbursement through Section 1011 of the federal Medicare Prescription Drug, Improvement and Modernization Act of 2003.

(g) Physicians shall be eligible to receive payment for patient care services provided by, or in conjunction with, a properly credentialed nurse practitioner or physician's assistant for care rendered under the direct supervision of a physician and surgeon who is present in the facility where the patient is being treated and who is available for immediate consultation. Payment shall be limited to those claims that are substantiated by a medical record and that have been reviewed and countersigned by the supervising physician and surgeon in accordance with regulations established for the supervision of nurse practitioners and physician assistants in California.

(h) (1) Reimbursement for losses shall be limited to emergency services as defined in Section 16953, obstetric, and pediatric services as defined in Sections 16905.5 and 16907.5, respectively.

(2) It is the intent of this subdivision to allow reimbursement for all of the following:

(A) All inpatient and outpatient obstetric services which are medically necessary, as determined by the attending physician.

(B) All inpatient and outpatient pediatric services which are medically necessary, as determined by the attending physician.

(i) Any physician may be reimbursed for up to 50 percent of the amount claimed pursuant to Section 16955 for the initial cycle of reimbursements made by the administering agency in a given year. All funds remaining at the end of the fiscal year shall be distributed proportionally, based on the dollar amount of claims submitted and paid to all physicians who submitted qualifying claims during that year. The administering agency shall not disburse funds in excess of the total amount of a qualified claim.

SEC. 7. Section 16952.1 is added to the Welfare and Institutions Code, to read:

16952.1. (a) Each county that elects to establish a Physicians Services Account in the county emergency medical services fund shall annually, on April 15, report to the Legislature on the implementation and status of the Physicians Services Account. The report shall cover the preceding fiscal year, and shall include, but not be limited to, all of the following:

(1) The total amount of moneys deposited in the Physicians Services Account.

(2) The account balance and the amount of moneys disbursed to physicians and surgeons.

(3) The number of claims paid to physicians, and the percentage of claims paid, based on the uniform fee schedule, as adopted by the county.

(4) The amount of moneys available to be disbursed to physicians, descriptions of the physician claims payment methodologies, the dollar amount of the total allowable claims submitted, and the percentage at which those claims are reimbursed.

(5) A statement of the policies, procedures, and regulatory action taken to implement and run the program under this chapter.

(6) The name of the physician and hospital administrator organization, or names of specified physicians and hospital administrators, contracted to review claims payment methodologies.

(b) Each county shall make available to any member of the public, upon request, the report required under subdivision (a).

SEC. 8. Section 16953.3 of the Welfare and Institutions Code is amended to read:

16953.3. Notwithstanding any other restrictions on reimbursement, a county shall adopt a fee schedule to establish a uniform, reasonable level of reimbursement from the physician services account for reimbursable services.

SEC. 9. Section 16955 of the Welfare and Institutions Code is amended to read:

16955. Reimbursement for losses incurred by any physician shall be limited to services provided to a patient as established by subdivisions (f) and (g) of Section 16952, and where all of the following conditions have been met:

(a) The physician has inquired if there is a responsible third-party source of payment.

(b) The physician has billed for payment of services.

(c) Either of the following:

(1) A period of not less than three months has passed from the date the physician billed the patient or responsible third party, during which time the physician has made reasonable efforts to obtain reimbursement and has not received reimbursement for any portion of the amount billed.

(2) The physician has received actual notification from the patient or responsible third party that no payment will be made for the services rendered by the physician.

(d) The physician has stopped any current, and waives any future, collection efforts to obtain reimbursement from the patient, upon receipt of funds from the county physician services account in the county emergency medical services fund.

SEC. 10. Section 16956 of the Welfare and Institutions Code is amended to read:

16956. (a) The administering agency shall establish procedures and time schedules for submission and processing of reimbursement claims submitted by physicians in accordance with this chapter.

(b) Schedules for payment established in accordance with this section shall provide for disbursement of the funds available in the account

periodically and at least quarterly, if funds remain available for disbursement, to all physicians who have submitted claims containing accurate and complete data for payment by the dates established by the administering agency.

(c) Claims which are not supported by records may be denied by the administering agency, and any reimbursement paid in accordance with this chapter to any physician which is not supported by records shall be repaid to the administering agency, and shall be a claim against the physician.

(d) Any physician who submits any claim for reimbursement under this chapter which is inaccurate or which is not supported by records may be excluded from reimbursement of future claims under this chapter.

(e) A listing of patient names shall accompany a physician's claim, and those names shall be given full confidentiality protections by the administering agency.

(f) The administering agency shall not give preferential treatment to any facility, physician, or category of physician and shall not engage in practices that constitute a conflict of interest by favoring a facility or physician with which the administering officer has an operational or financial relationship.

(g) Payments shall be made only for emergency medical services provided on the calendar day on which emergency medical services are first provided and on the immediately following two calendar days.

(h) Notwithstanding subdivision (g), if it is necessary to transfer the patient to a second facility that provides for a higher level of care for the treatment of the emergency condition, reimbursement shall be available for services provided to the facility to which the patient was transferred on the calendar day of transfer and on the immediately following two calendar days.

SEC. 11. Section 16956.5 is added to the Welfare and Institutions Code, to read:

16956.5. (a) The administering agency may establish an EMS Fund advisory committee. The committee shall include emergency physicians and emergency department oncall backup panel physicians. The committee shall advise the administering agency regarding distribution of funds pursuant to this section.

(b) If the administering agency establishes a committee pursuant to subdivision (a) and the committee, upon an affirmative vote by every member of the committee, recommends that the administering agency adopt a special fee schedule and claims submission criteria for reimbursement for services rendered to uninsured trauma patients, the administering agency may adopt the special fee schedule and claims submission criteria.

(c) Notwithstanding any provision of law to the contrary, in addition to reimbursement for trauma service rendered in the initial day and the following two calendar days, the administering agency may reimburse pursuant to this section for services rendered to uninsured trauma patients

beyond the calendar day on which emergency medical services are first provided and the immediately following two calendar days.

(d) Only up to 15 percent of the tobacco tax revenues allocated to the county's EMS Fund may be distributed through this special fee schedule.

(e) All providers who render services to uninsured trauma patients may submit claims for reimbursement under this section. No provider's claim shall be initially reimbursed pursuant to this section at greater than 50 percent of losses.

SEC. 12. Section 2.5 of this bill incorporates amendments to Section 1797.98a of the Health and Safety Code proposed by both this bill and SB 57. It shall become operative only if (1) both bills are enacted and become effective on or before January 1, 2006, (2) each bill amends Section 1797.98a of the Health and Safety Code, and (3) this bill is enacted after SB 57, in which case Section 2 of this bill shall not become operative.

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